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TO RUEATRS/DEPT OF TREASURY WASHDC PRIORITY
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RUEHNSC/NSC WASHDC PRIORITY
RUEAIIA/CIA WASHINGTON DC PRIORITY
INFO RUCNMEM/EU MEMBER STATES COLLECTIVE PRIORITY
RUCNIRA/IRAN COLLECTIVE PRIORITY

S E C R E T SECTION 01 OF 04 LONDON 000118

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TAGS: [EFTN](#) [KNNE](#) [MNUC](#) [PARM](#) [ECON](#) [ETTC](#) [IR](#) [UK](#)
SUBJECT: UK IRAN SANCTIONS ROUNDUP

REF: A. 2008 STATE 133198

[1B.](#) STATE 1760

[1C.](#) 2008 STATE 115523 Classified By: KATHLEEN DOHERTY, ECON COUNSELOR, FOR REASONS 1.4 B & D This message contains Action Requests. Please

[11.](#) (S/NF) Summary. British officials are eager to apply additional pressure on Iran's nuclear program. They are pursuing domestic and multilateral

[12.](#) (U) The following is a roundup of UK Iran sanctions issues stemming from conversations we have had with HM Treasury (HMT), Foreign and Commonwealth
Designation of ASSA Corp (2008 State 133198) -----

[13.](#) (C) We delivered the ASSA Corp. designation information to FCO and HMT on December 22 (and passed U.S. Treasury's press notification to HMT
IRISL and Oasis Freight Agency (State 1760) -----

[14.](#) (S) We delivered the IRISL and OASIS Freight Agency Name Changes paper on an informational basis to FCO and HMT officials on January 9 and
Leveraging the FATF Statement on Iran (2008 State 115523) -----

[15.](#) (C) We followed up with Cabinet and HMT officials to inquire about UK efforts following the October FATF statement on Iran's financial practices

[16.](#) (C) HMT lawyers are evaluating what evidentiary level will be needed to withstand court scrutiny, with the hope the February FATF meeting will

[17.](#) (C) British government officials (FCO and Department for Business) are also studying whether they can tighten their export licensing rules

[18.](#) (C) Regarding correspondent banking relationships, HMT told us there are very few such arrangements still operating in the UK, and what exists
Joint Demarches -----

[19.](#) (SBU) HMG was eager to highlight the joint U.S.-French-UK cooperation in delivering joint demarches to several Gulf and Asian countries, at
Bank Sepah -----

[110.](#) (S/NF) HMT officials continue to claim the bank is barely functioning "frozen in almost every way", not engaging in new business, and very

[111.](#) (S/NF) Action Request: It would be helpful to provide the UK with any precedent where we closed down the "clean" subsidiary of a sanctioned
UN Sanctions Resolution -----

[112.](#) (C) HMT officials believe an additional UN resolution sanctioning Iran at this time would not help their efforts unless it includes new elements
EU Court Challenges to Iranian Designations -----

[113.](#) (S/NF) Action Request: FCO officials told us EU courts are beginning to challenge the EU's designation of Iranian banks and entities. HMG
FCO: Germans Cool on EU Iran Designations; Fear a U.S. Commercial Edge -----

[114.](#) (S/NF) FCO Iran staff also told us German resistance on further designations is spreading to all ministries. Germany, despite its strong position

[115.](#) (S/NF) FCO thanked us for sharing the "outstanding" USG Powerpoint presentation on U.S. trade with Iran put together by Washington agencies
World Bank -----

[116.](#) (S/NF) HMG has heard a rumor Iran will soon request additional money from the World Bank soon. Cabinet Office would like to head this off
Intra-HMG Iran dynamics -----

[117.](#) (S/NF) In general, the Cabinet Office and FCO are pushing HM Treasury to be more aggressive in interpreting laws and regulations in ways that
TUTTLE